



# **PSC NEWS**

## **Missouri Public Service Commission**

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**FOR IMMEDIATE RELEASE**

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### **PSC APPROVES AGREEMENT REQUIRING SOUTHERN MISSOURI GAS TO PLAN AHEAD FOR CUSTOMERS**

JEFFERSON CITY—The Missouri Public Service Commission has approved an agreement requiring Southern Missouri Gas Company to have a gas supply plan in place to help protect its customers from uncertain winter gas prices. The plan will detail how management will implement its natural gas buying strategies for the winter of 2006-2007 and following winters.

Under the agreement submitted by the Office of the Public Counsel, Southern Missouri Gas Company, and the PSC Staff, Southern Missouri Gas is to file its gas supply plan with the PSC this month. As part of its plan, Southern Missouri Gas Company will secure at least 55% of its normal winter heating season gas supply by October 1, 2006, at fixed prices or hedged against market exposure. Southern Missouri Gas will be responsible for its decisions regarding gas purchasing and hedging and will remain subject to prudence reviews.

The agreement also calls for more lenient payment terms for customers who are disconnected and are seeking to be re-connected. Customers may enter into a payment arrangement that would recover any past due amounts above the minimum payment requirement under the Cold Weather Rule over an 18 month period instead of 12 months. Southern Missouri Gas Company has also agreed to a rebate program to encourage the installation of new energy efficient natural gas furnaces and natural gas water heaters in its service area.

On October 21, 2005, the Office of the Public Counsel filed a complaint against Southern Missouri Gas Company alleging, among other things, that the company failed to comply with the PSC's hedging rule.

Southern Missouri Gas Company serves approximately 7,250 natural gas customers in the Missouri counties of Wright, Texas, Webster, Howell and Douglas.